

Message Text

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FM SECSTATE WASHDC

TO AMEMBASSY BEIRUT

INFO AMEMBASSY DAMASCUS

C O N F I D E N T I A L STATE 263231

E.O. 11652: GDS

TAGS: PINS, PFOR, LE

SUBJECT: PLIMPTON'S REPLY TO CHAMOUN'S COMMUNIQUE ON AUB

REF: STATE 256337

1. FOLLOWING ARE PRINCIPLE EXTRACTS OF PLIMPTON'S PLANNED
REPLY TO CHAMOUN:

2. QUOTE: THE CIVIL WAR OF THE PAST YEAR AND A HALF HAS
VERY SERIOUSLY IMPAIRED THE FINANCIAL AND ACADEMIC LIFE
OF THE AMERICAN UNIVERSITY OF BEIRUT. FINANCIAL LOSSES
SUFFERED THUS FAR BY THE UNIVERSITY DURING THIS PERIOD ARE
NEARLY L. LEB. 39 MILLION. THE ADDITIONAL LOSS TO CON-
TINUE TO OPERATE THE UNIVERSITY AND THE HOSPITAL DURING THE
PERIOD JULY 1, 1976 THROUGH JUNE 30, 1977 HAS BEEN ES-
TIMATED AT L.LEB 18.3 MILLION. THEREFORE, AS THE SITUATION
STANDS NOW, BY JUNE 30, 1977 THE UNIVERSITY WILL BE IN
DEBT TO THE EXTENT OF OVER L. LEB. 57 MILLION.

THE FINANCIAL SITUATION OF THE UNIVERSITY HAS BEEN DIS-
CUSSED WITH HIS EXCELLENCY THE FORMER PRESIDENT OF THE
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REPUBLIC SULEIMAN FRANJIEH, HIS EXCELLENCY THE FORMER

PRIME MINISTER OF THE REPUBLIC RASHID KARAMI, HIS EXCEL-
LENCY THE MINISTER OF SOCIAL AFFAIRS AND LABOR GHASSAN
TUEINI, THE DIRECTOR GENERAL OF THE MINISTRY OF FINANCE,
THE LATE DR. KHALIL SALEM, AND NUMEROUS OTHER DIGNITARIES
OF THE GOVERNMENT OF LEBANON. THE PERSPICACITY OF THESE
LEADERS LED TO THE ADOPTION BY THE COUNCIL OF MINISTERS
ON DECEMBER 30, 1975, FEBRUARY 18, 1976, AND MARCH 3,
1976 OF CERTAIN DECISIONS WHICH WOULD ASSIST IN PART,
THE AMERICAN UNIVERSITY OF BEIRUT IN MEETING THESE
FINANCIAL OBLIGATIONS. UNFORTUNATELY, THESE DECISIONS HAVE
NOT AS YET BEEN EXECUTED BY THE GOVERNMENT OF LEBANON.

WITH THIS BRIEF BACKGROUND OF THE FINANCIAL IMPAIRMENT
OF THE UNIVERSITY, WHICH DIRECTLY IMPINGES UPON THE SIZE
AND SCOPE OF THE ACADEMIC AND HEALTH CARE PROGRAMS THAT THE
UNIVERSITY OFFERS TO STUDENTS AND PATIENTS, I WILL RESPOND
TO THE QUESTIONS RAISED IN YOUR CABLE.

A. THE AMERICAN UNIVERSITY OF BEIRUT CARRIED ALL FACULTY,
STAFF AND WORKERS ON FULL SALARY AND WAGES FROM THE OUT-
BREAK OF THE CIVIL WAR ON APRIL 13, 1975 TO JUNE 8, 1976.
AT THAT TIME IT BECAME NECESSARY FOR THE UNIVERSITY TO
NOTIFY ITS EMPLOYEES THAT ONLY THOSE ACTUALLY WORKING
WOULD BE PAID, THIS POLICY TO BECOME EFFECTIVE ON JUNE 8.
THE DECISION WAS NECESSARY IN ORDER FOR THE UNIVERSITY
TO CARRY ON ITS SERVICES TO PATIENTS AND STUDENTS AND BE-
CAUSE OF THE FINANCIAL LOSSES WHICH THE UNIVERSITY AND
HOSPITAL HAD SUFFERED AS A DIRECT RESULT OF THE WAR. THE
UNIVERSITY DOES NOT HAVE THE FUNDS WITH WHICH TO PAY
SALARIES AND WAGES TO THOSE WHO HAVE NOT WORKED SINCE
JUNE 8, NOR DOES THE BOARD FEEL IT WOULD BE EQUITABLE TO
THOSE EMPLOYEES WHO HAVE CONTINUED TO REPORT TO WORK, AT
SOME RISK IN COMMUTING FROM THEIR PLACES OF RESIDENCE
TO THE UNIVERSITY, FOR THE NON-WORKER TO BE PAID. PAY-
MENT OF SALARIES AND WAGES TO THOSE WHO HAVE WORKED HAS
BEEN DELAYED FOR AS MUCH AS THREE MONTHS AND THERE IS CON-
CERN THAT, IN THE NOT TOO DISTANT FUTURE, CASH WILL JUST
NOT BE AVAILABLE TO MEET THE PAYROLL. COLLECTION OF FUNDS
FOR SERVICES RENDERED TO PATIENTS AND STUDENTS HAS BEEN
INSIGNIFICANT, AND OUR BORROWING CAPACITY HAS BEEN TAXED
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TO ITS LIMIT.

B. THE BOARD HAS BEEN ASSURED BY THE ADMINISTRATION THAT
NO NON-ACADEMIC EMPLOYEE HAS BEEN DISMISSED SINCE THE
CIVIL WAR BEGAN FOR REASONS OTHER THAN "CAUSE", AS THE
TERM "CAUSE" IS DEFINED IN THE LABOR LAW OF LEBANON. EM-
PLOYEES WHO HAVE NOT REPORTED TO WORK SINCE JUNE 8 HAVE
BEEN PLACED ON SPECIAL LEAVE OF ABSENCE WITHOUT PAY.

C. EMPLOYEES OF THE UNIVERSITY WHO HAVE REQUIRED MEDICAL ATTENTION AND WHO HAVE BEEN PREVENTED FROM REACHING THE AMERICAN UNIVERSITY HOSPITAL BECAUSE OF CONDITIONS IN BEIRUT SHOULD PRESENT THEIR CLAIMS FOR REIMBURSEMENT TO THE PERSONNEL OFFICE. THEY WILL BE PROCESSED IN ACCORDANCE WITH THE TERMS OF AUB'S HOSPITALIZATION INSURANCE PLAN AND THE GOVERNMENT'S MEDICAL HEALTH SCHEME OF THE NSSF.

D. THE TRUSTEES HAVE BEEN INFORMED BY THE ADMINISTRATION THAT EMPLOYEES WHO HAVE BEEN INJURED WHILE TRAVELING TO AND FROM WORK AT AUB HAVE BEEN GIVEN TREATMENT AND SICK LEAVE. COMPENSATION BEYOND THAT SPECIFIED IN THE UNIVERSITY'S SICK LEAVE POLICY IS NOT FEASIBLE. WITH ALL DUE RESPECT, WE BELIEVE THAT COMPENSATION FOR THE WOUNDED, THE INCAPACITATED, AND THE SURVIVING DEPENDENTS OF THOSE KILLED DURING THIS HOLOCAUST MUST BE ASSUMED BY THE GOVERNMENT OF THE REPUBLIC. THE CONTINUING COST WILL BE BEYOND THE FINANCIAL CAPACITY OF PRIVATE ENTERPRISE, WHETHER IT BE ORGANIZED FOR PROFIT OR NOT-FOR-PROFIT, SUCH AS THE AUB.

E. I WOULD VERY MUCH LIKE TO DISCUSS THIS SUBJECT AND OTHER MATTERS CONCERNING THE FUTURE OF THE UNIVERSITY WITH OFFICIALS OF THE GOVERNMENT OF LEBANON DURING MY PRESENT VISIT. PLEASE LET ME KNOW AT YOUR CONVENIENCE WHEN THIS MIGHT BE POSSIBLE. SIGNED CALVIN H. PLIMPTON, CHAIRMAN, BOARD OF TRUSTEES. END QUOTE. ROBINSON

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